New NBU “anti-crisis” measures

DENTONS

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Resolution No. 591 of the Management Board of the National Bank of Ukraine dated September 22, 2014 (the “**Resolution**”), which entered into force on September 23, 2014, has introduced amendments to the “Anti-Crisis” Resolution of the NBU - Resolution No. 540 dated August 29, 2014 and Resolution No. 515 dated August 20, 2014.

In addition to previously imposed anti-crisis limitations, the Resolution prohibits the following transactions in foreign currency:

- Settlements in respect of import transactions not providing for actual import of goods into the territory of Ukraine
- Settlements in respect of importing contracts, in respect of which customs clearance was done on the basis of import customs declaration, the date of issue of which exceeds 180 days
- Cross-border repayment of the proceeds, received by the foreign investor in respect of the out of stock exchanges sale of securities of Ukrainian issuers, except state bonds of Ukraine
- Cross-border repayment of the proceeds, received by foreign investors in respect of the transactions as to the sale of corporate rights of legal entities, which are not in a form of the shares
- Cross-border repayment to the foreign investor of the dividends (except of the repayment of the dividends on the securities, which are in circulation at a stock exchange)
- On the basis of individual licenses, issued by the National Bank of Ukraine (except for settlements under the individual licenses issued by the National Bank of Ukraine to legal entities for placement of the currency valuables at off-shore accounts)

The abovementioned limitations will remain in force until December 2, 2014.

Such new anti-crisis measures by the NBU are controversial in nature and limit payments under investment operations in general. NBU clarifications on the above are expected to come out shortly.

That being said, earlier imposed requirement of mandatory sale of 100 percent of foreign currency proceeds received from abroad was relaxed—as of now only 75 percent of foreign currency proceeds are subject to mandatory sale. The mandatory sale requirement remains in force until November 21, 2014.

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